

**REVENUE GROUP BERHAD (201701034150 (1248321-D))**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2022<sup>(1)</sup>**

	Note	3-MONTH ENDED		YEAR-TO-DATE	
		30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
Revenue	A9	28,544	17,553	97,669	86,277
Cost of sales		(14,281)	(7,335)	(39,812)	(42,003)
<b>Gross profit ("GP")</b>		<b>14,263</b>	<b>10,218</b>	<b>57,857</b>	<b>44,274</b>
Other income		357	267	1,185	1,659
Administrative expenses		(12,981)	(8,416)	(37,092)	(30,339)
Finance costs		(145)	(125)	(668)	(330)
Share of results of associate, net of tax		(522)	22	(906)	192
<b>Profit before tax ("PBT")</b>	B12	<b>972</b>	<b>1,966</b>	<b>20,376</b>	<b>15,456</b>
Taxation	B6	(1,985)	(570)	(7,168)	(3,341)
<b>Profit/(Loss) after tax ("PAT")</b>		<b>(1,013)</b>	<b>1,396</b>	<b>13,208</b>	<b>12,115</b>
<b>Other comprehensive (loss)/income for the financial period, net of tax</b>					
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Exchange translation differences for foreign operations		(39)	(1)	(51)	(11)
<b>Total comprehensive (loss)/income for the financial period</b>		<b>(1,052)</b>	<b>1,395</b>	<b>13,157</b>	<b>12,014</b>
<b>Profit/(Loss) for the financial period attributable to:</b>					
• Owners of the Company		566	1,282	13,435	11,245
• Non-controlling interests		(1,579)	114	(227)	870
		<b>(1,013)</b>	<b>1,396</b>	<b>13,208</b>	<b>12,115</b>
<b>Total comprehensive (loss)/income for the financial period attributable to:</b>					
• Owners of the Company		527	1,281	13,384	11,234
• Non-controlling interests		(1,579)	114	(227)	870
		<b>(1,052)</b>	<b>1,395</b>	<b>13,157</b>	<b>12,104</b>
<b>Earnings per share attributable to owners of the Company</b>					
• Basic (sen) <sup>(2)</sup>	B11	0.12	0.29	2.89	2.72
• Diluted (sen) <sup>(3)</sup>	B11	0.09	0.21	2.83	2.71

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2022<sup>(1)</sup> (CONT'D)**

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic earnings per share for the individual quarter and year-to-date ended 30 June 2022 is calculated based on the weighted average number of ordinary shares in issue of 469,040,577 and 464,685,763 as at 30 June 2022 respectively. The basic earnings per share for the individual quarter and year-to-date ended 30 June 2021 is calculated based on the weighted average number of ordinary shares in issue of 447,594,486 and 413,794,644 as at 30 June 2021 respectively.
- (3) Diluted earnings per share of the Company for the individual quarter and year-to-date ended 30 June 2022 is calculated based on the weighted average number of ordinary shares in issue of 636,071,991 and 475,232,120 as at 30 June 2022 respectively, adjusted for number of shares under warrants. Diluted earnings per share of the Company for the individual quarter and year-to-date ended 30 June 2021 is calculated based on the weighted average number of ordinary shares in issue of 616,389,529 and 415,436,330 as at 30 June 2021 respectively, adjusted for contingently issuable ordinary shares. The number of shares under warrants was not taken into account in the computation of diluted EPS as the warrants do not have a dilutive effect on the weighted average number of ordinary shares.

**REVENUE GROUP BERHAD (201701034150 (1248321-D))**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022<sup>(1)</sup>**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	As at <b>30.06.2022</b> RM'000	As at <b>30.06.2021</b> RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	47,590	27,370
Intangible assets	23,745	11,135
Right-of-use assets	1,165	2,971
Investment in associates	17,453	6,768
Investment properties	20,466	-
Goodwill on consolidation	10,830	10,830
<b>Total non-current assets</b>	<b>121,249</b>	<b>59,074</b>
<b>Current Assets</b>		
Inventories	12,023	7,999
Trade receivables	25,161	15,139
Other receivables	1,438	7,970
Other Investment	7,735	-
Tax recoverable	21	1,476
Fixed deposits with licensed banks	619	255
Cash and bank balances	82,150	97,324
<b>Total current assets</b>	<b>129,147</b>	<b>130,163</b>
<b>TOTAL ASSETS</b>	<b>250,396</b>	<b>189,237</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	147,123	121,143
Merger reserve	(15,694)	(15,694)
Warrant reserve	51,640	55,161
Other reserves	(89,731)	(61,647)
Foreign currency translation reserve	(89)	(38)
Retained earnings	63,298	49,863
<b>Equity attributable to owners of the Company</b>	<b>156,547</b>	<b>148,788</b>
Non-controlling interests	2,284	2,511
<b>Total Equity</b>	<b>158,831</b>	<b>151,299</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bank borrowings	44,338	4,966
Lease liabilities	506	695
Deferred tax liabilities	576	577
<b>Total non-current liabilities</b>	<b>45,420</b>	<b>6,238</b>

**REVENUE GROUP BERHAD (201701034150 (1248321-D))****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022<sup>(1)</sup> (CONT'D)**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As at</b>	<b>As at</b>
	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>LIABILITIES (CONT'D)</b>		
<b>Current liabilities</b>		
Trade payables	18,235	16,626
Other payables	25,651	13,472
Contract liabilities	-	261
Amount due to Directors	46	197
Bank borrowings	-	400
Lease liabilities	569	569
Tax payable	1,644	175
<b>Total current liabilities</b>	<b>46,145</b>	<b>31,700</b>
<b>TOTAL LIABILITIES</b>	<b>91,565</b>	<b>37,938</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>250,396</b>	<b>189,237</b>
<b>Number of ordinary shares ('000)</b>	476,922	452,971
<b>NET ASSETS PER SHARE (RM)<sup>(2)</sup></b>	0.33	0.33

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.
- (2) The net assets per share is calculated based on the number of shares in issue of 476,922,162 as at 30 June 2022 and 452,971,361 as at 30 June 2021.

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REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY  
FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2022<sup>(1)</sup>

	Attributable to owners of the parent					Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Non-Distributable			Distributable					
	Share Capital RM'000	Merger Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Foreign Currency Translation Reserve RM'000				
<b>Period ended 30 June 2021</b>									
<b>As at 1 July 2020</b>	<b>49,268</b>	<b>(15,694)</b>	<b>61,269</b>	<b>(67,554)</b>	<b>(27)</b>	<b>38,618</b>	<b>65,880</b>	<b>1,424</b>	<b>67,304</b>
Profit for the financial period	-	-	-	-	-	11,245	11,245	870	12,115
Other comprehensive loss for the financial period	-	-	-	-	(11)	-	(11)	-	(11)
<b>Total comprehensive (loss)/income for the financial period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11)</b>	<b>11,245</b>	<b>11,234</b>	<b>870</b>	<b>12,104</b>
<b>Transactions with owners</b>									
Issuance of ordinary shares pursuant to special issue	57,975	-	-	-	-	-	57,975	-	57,975
Issuance of ordinary shares pursuant to the exercise of warrants	13,900	-	(6,108)	6,108	-	-	13,900	-	13,900
Changes of stakes in a subsidiary company	-	-	-	(201)	-	-	(201)	201	-
Net changes of non-controlling interests	-	-	-	-	-	-	-	16	16
<b>Total transactions with owners</b>	<b>71,875</b>	<b>-</b>	<b>(6,108)</b>	<b>5,907</b>	<b>-</b>	<b>-</b>	<b>71,674</b>	<b>217</b>	<b>71,891</b>
<b>As at 30 June 2021</b>	<b>121,143</b>	<b>(15,694)</b>	<b>55,161</b>	<b>(61,647)</b>	<b>(38)</b>	<b>49,863</b>	<b>148,788</b>	<b>2,511</b>	<b>151,299</b>

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY  
FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2022<sup>(1)</sup> (CONT'D)

	Attributable to owners of the parent					Retained Earnings	Total	Non-controlling Interests	Total Equity	
	Non-Distributable									Distributable
	Share Capital	Merger Reserve	Warrant Reserve	Other Reserve	Foreign Currency Translation Reserve					RM'000
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>Period ended 30 June 2022</b>										
As at 1 July 2021	121,143	(15,694)	55,161	(61,647)	(38)	49,863	148,788	2,511	151,299	
Profit for the financial period	-	-	-	-	-	13,435	13,435	(227)	13,208	
Other comprehensive loss for the financial period	-	-	-	-	(51)	-	(51)	-	(51)	
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	-	-	(51)	13,435	13,384	(227)	13,157	
<b>Transactions with owners</b>										
Issuance of ordinary shares pursuant to acquisition of subsidiary company	17,979	-	-	(31,605)	-	-	(13,626)	-	(13,626)	
Issuance of ordinary shares pursuant to the exercise of warrants	8,001	-	(3,521)	3,521	-	-	8,001	-	8,001	
<b>Total transactions with owners</b>	<b>25,980</b>	<b>-</b>	<b>(3,521)</b>	<b>(28,084)</b>	<b>-</b>	<b>-</b>	<b>(5,625)</b>	<b>-</b>	<b>(5,625)</b>	
<b>As at 30 June 2022</b>	<b>147,123</b>	<b>(15,694)</b>	<b>51,640</b>	<b>(89,731)</b>	<b>(89)</b>	<b>63,298</b>	<b>156,547</b>	<b>2,284</b>	<b>158,831</b>	

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

**REVENUE GROUP BERHAD (201701034150 (1248321-D))**

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2022<sup>(1)</sup>**

	<b>YEAR-TO-DATE</b>	
	<b>UNAUDITED 30.06.2022 RM'000</b>	<b>AUDITED 30.06.2021 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
<b>Profit before tax</b>	<b>20,376</b>	<b>15,456</b>
Adjustments for:		
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	10,641	9,485
Finance costs	668	330
(Gain)/Loss on disposal of property, plant and equipment	(1)	4
Bad debts recovered	(22)	-
PPE written off	1,157	-
Impairment losses on trade receivables	550	623
Reversal of impairment losses on trade receivables	(15)	(603)
Interest income	(598)	(291)
Income from rent concessions	(246)	(17)
Unrealised loss/(gain) on foreign exchange	680	(236)
Realised loss on foreign exchange	-	-
Share of loss/(profit) in associates	906	(192)
Operating profit before working capital changes	<u>34,096</u>	<u>24,559</u>
<b>Changes in working capital</b>		
Inventories	(3,540)	2,419
Receivables	(6,251)	4,727
Payables	3,568	(14,288)
Amount due to associates	-	(414)
Amount due to Directors	(152)	(91)
Contract liabilities	(261)	(229)
	<u>(6,636)</u>	<u>(7,876)</u>
Cash generated from operations	27,460	16,683
Interest paid	(668)	(330)
Interest received	598	291
Tax paid	(4,244)	(4,005)
Exchange fluctuation adjustment	(50)	-
Net cash from operating activities	<u><b>23,096</b></u>	<u><b>12,639</b></u>
<b>Cash Flows From Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	-	3
Purchase of property, plant and equipment	(22,516)	(10,720)
Purchase of investment properties	(3,035)	-
Net cash outflows arising from acquisition of subsidiary company	-	(891)
Acquisition of an associate	(12,000)	(4,500)
Acquisition of other investment	(7,735)	(4,153)
Net cash used in investing activities	<u><b>(45,286)</b></u>	<u><b>(20,261)</b></u>

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2022<sup>(1)</sup> (CONT'D)

	PERIOD-TO-DATE	
	UNAUDITED 30.06.2022 RM'000	AUDITED 30.06.2021 RM'000
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of ordinary shares	8,001	71,875
(Increase)/Decrease of fixed deposit pledged	(364)	(4)
Net changes of lease liabilities	(162)	(581)
Repayment of term loans/banker acceptance	(240)	(200)
Net cash from financing activities	<b>7,235</b>	<b>71,090</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(14,955)	63,468
<b>Cash and cash equivalents at the beginning of the financial period</b>	97,105	33,974
<b>Effect of exchange translation differences on cash and cash equivalents</b>	-	(337)
<b>Cash and cash equivalents at the end of the financial period</b>	<b>82,150</b>	<b>97,105</b>
<b>Cash and cash equivalents at the end of the financial period comprises:</b>		
Cash and bank balances	82,150	97,324
Fixed deposits with licensed banks	619	255
Bank overdrafts	-	(219)
	82,769	97,359
Less: Fixed deposits pledged with licensed banks	(619)	(255)
	<b>82,150</b>	<b>97,105</b>

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

**A. NOTES TO THE INTERIM FINANCIAL REPORT**

**A1. Basis of preparation**

The interim financial report of Revenue Group Berhad (“**REVENUE**” or “**the Company**”) and its subsidiary companies (“**the Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements of Bursa Securities.

This interim financial statements on the Company’s unaudited condensed consolidated financial results for the fourth (4<sup>th</sup>) quarter ended 30 June 2022 is announced by the Company in compliance with the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying notes attached to this interim financial report.

**A2. Summary of significant accounting policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 30 June 2021.

During the financial period, the Group have adopted the following new standards and amendments issued by the Malaysian Accounting Standards Board (“**MASB**”) that are mandatory for current financial period:

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2
Amendment to MFRS 16	Covid-19 Related Rent Concessions beyond 30 June 2020

The adoption of the new standards and amendments to standards did not have any significant impact on the financial statements of the Group.

## REVENUE GROUP BERHAD (201701034150 (1248321-D))

### A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

#### A2. Summary of significant accounting policies (Cont'd)

##### Standards issued but not yet effective

The Group has not adopted the following new MFRSs and amendments to MFRSs that have been issued by the MASB which are not yet effective for the Group. The Group intends to adopt the below mentioned MFRSs and Amendments to MFRSs when they become effective.

		<b>Effective dates for financial periods beginning on or after</b>
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvement to MFRS Standards 2018 - 2020		1 January 2022
• Amendments to MFRS 1		
• Amendments to MFRS 9		
• Amendments to MFRS 16		
• Amendments to MFRS 141		
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current and Non-current - Deferral of Effective Date	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimate	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

#### A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Group for the financial year ended 30 June 2021 was not subject to any qualification.

#### A4. Seasonal or cyclical factors

During the festive seasons such as Chinese New Year, Hari Raya Puasa and Christmas, as well as specific dates such as double 11 (i.e. 11 November) and double 12 (i.e. 12 December), the Group typically records higher transaction volume.

**REVENUE GROUP BERHAD (201701034150 (1248321-D))**

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A5. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period.

**A6. Material changes in estimates**

There were no material changes in the estimates in the current financial quarter under review.

**A7. Debt and equity securities**

Save as disclosed below, there were no issuances, cancellations, repurchases, resale and repayment of debts and equity during the financial quarter under review.

**(a) Warrants conversion**

The Company had issued 143,400 new ordinary shares in REVENUE pursuant to the exercise of Warrants during the financial quarter under review.

<u>Date</u>	<u>Number of new ordinary shares</u>
5 April 2022	125,400
7 April 2022	18,000
	<u>143,400</u>

**(b) Acquisition of Remaining of 49% Revenue Secure Sdn Bhd Equity Interest**

On 7 June 2022, the Board announced that the Acquisition remaining of 49% Revenue Secure Sdn Bhd (“**Revenue Secure**”) equity interest by Revenue Harvest Sdn Bhd (“**Revenue Harvest**”), a wholly owned subsidiary company of REVENUE was partially completed following the listing of 10,546,357 Revenue Secure Consideration Shares.

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**REVENUE GROUP BERHAD (201701034150 (1248321-D))****A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****A8. Dividends paid**

There was no dividend paid during the current financial quarter under review.

**A9. Segmental information**

The Group's segmental information for the current financial quarter/period ended 30 June 2022 is as follows:

**(a) Analysis of revenue by business segments**

	<b>3-MONTH ENDED</b>		<b>YEAR-TO-DATE</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Electronic Data Capture ("EDC") terminals	18,663	10,146	49,521	55,891
Electronic transaction processing Solutions and services	6,446	4,608	32,426	17,786
	3,435	2,799	15,722	12,600
<b>Total</b>	<b>28,544</b>	<b>17,553</b>	<b>97,669</b>	<b>86,277</b>

**(b) Analysis of revenue by geographical location**

	<b>3-MONTH ENDED</b>		<b>YEAR-TO-DATE</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>31.03.2022</b>	<b>30.06.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysia	28,544	17,553	97,669	86,277
<b>Total</b>	<b>28,544</b>	<b>17,553</b>	<b>97,669</b>	<b>86,277</b>

**A10. Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment in the current financial quarter under review.

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A11. Material events subsequent to the end of the current financial quarter**

Save as disclosed below, there were no other material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

**(a) Proposed Acquisitions of Revenue Secure Sdn Bhd (“Revenue Secure”) (“Proposed Acquisition of Revenue Secure”)**

On 8 April 2022, the Board announced that Revenue Harvest, had entered into a conditional share sale agreement (“**Revenue Secure SSA**”) with Ho Ee Lock and Chang Chew Soon (“**Revenue Secure Vendors**”) for the purchase of the remaining 49.0% equity interest in Revenue Secure, a 51.0% owned subsidiary company of Revenue Harvest, for a purchase consideration of RM31.85 million (“**Revenue Secure Purchase Consideration**”). The Revenue Secure Purchase Consideration will be satisfied by the issuance of 21,092,715 new ordinary shares in REVENUE (“**REVENUE Shares**”) at an issue price of RM1.51 each.

On 15 April 2022, the Board announced that the additional listing application in relation to the Proposed Acquisition of Revenue Secure has been submitted to Bursa Securities.

On 8 June 2022, REVENUE had issued 10,546,357 new ordinary shares to satisfy the partial purchase consideration at an issue price of RM1.51 each.

**A12. Changes in the composition of the Group**

Save as disclosed below, there were no material changes in the composition of the Group for the current financial quarter under review.

**a) Subscription of shares in Aamoni Lifestyle Sdn Bhd (Formerly Known As ALLF Management Group Sdn Bhd) (“Aamoni”) (“Subscription”) (“Transactions”)**

On 25 February 2022, the Board announced that Revenue Harvest Sdn Bhd (“Revenue Harvest”) had entered into the following agreements for the Proposed Transactions:

1. a Share Subscription Agreement (“SSA”) with Aamoni relating to the subscription of 52,145 new ordinary shares of, representing approximately 51% of the enlarged issued share capital of Aamoni, for a subscription sum of RM1,100,000 (“Subscription Shares”) in connection with the Subscription. The Transaction was completed on 8 April 2022 and correspondingly, Aamoni has become a 51% subsidiary company of Revenue Harvest and indirect 51% subsidiary company of REVENUE.

**REVENUE GROUP BERHAD (201701034150 (1248321-D))**

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A13. Contingent assets and contingent liabilities**

Save as disclosed below, there were no other contingent assets and contingent liabilities as at the date of this interim report.

	<u>UNAUDITED</u> As at 30.06.2022 RM'000	<u>UNAUDITED</u> As at 30.06.2021 RM'000
Corporate guarantee given by REVENUE to licensed bank for banking facilities granted to a subsidiary of REVENUE	44,857	10,000
Bank guarantee given to Payments Network Malaysia Sdn. Bhd. in favour of Revenue Harvest and Revenue Solution Sdn. Bhd.	560	560

**A14. Capital commitments**

Save as disclosed below, there were no capital commitments during the current financial quarter under review.

	<u>UNAUDITED</u> As at 30.06.2022 RM'000	<u>UNAUDITED</u> As at 30.06.2021 RM'000
<b>Material commitment</b>		
Purchase of software system	877	877
	<u>877</u>	<u>877</u>

**A15. Related party transactions**

There were no material related party transactions during the current financial quarter under review.

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of performance**

**(a) Results for current quarter and preceding year corresponding quarter**

The Group recorded revenue of RM28.54 million for the current financial quarter ended 30 June 2022 (30 June 2021: RM17.55 million).

The Group's revenue was principally derived from the electronic transaction processing segment, followed by the EDC terminals segment and Solutions & Services segment accounting for approximately 65.4%, 22.6% and 12.0% respectively of the total revenue for the current financial quarter ended 30 June 2022. The Malaysian market is the single largest market accounted for the entire total revenue for the current financial quarter ended 30 June 2022.

The Group's revenue increased by RM10.99 million from RM17.55 million for financial quarter ended 30 June 2021 to RM28.54 million for the financial quarter ended 30 June 2022. The higher revenue recorded was mainly attributed to the increased in the revenue from the sale of EDC terminals by approximately RM8.52 million due to higher sale of EDC terminals. The income from the electronic transaction processing segment increased by approximately RM1.83 million due to the strong performance from the online merchants. The revenue from the Solutions & Services segment increased by approximately RM0.64 million due to higher revenue from the sales of digital payment solution.

The Group registered a PBT of RM0.97 million in the current financial quarter under review (30 June 2021: RM1.97 million). The Group recorded a higher administrative expense amounting to RM4.56 million mainly due to higher staff cost by approximately RM1.90 million, provision for unrealised foreign exchange loss by approximately RM0.60 million, additional provision for doubtful debts of RM0.50 million, higher IT infrastructure cost by approximately RM 0.50 million and higher depreciation by approximately RM0.50 million.

**C. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B1. Review of performance (Cont'd)**

**(b) Results for financial year-to-date and preceding year corresponding period**

For the financial year-to-date, the Group recorded revenue of RM97.67 million (30 June 2021: RM86.28 million).

The Group's revenue was principally derived from the EDC terminals segment, followed by the electronic transaction processing segment and Solutions & Services segment accounting for approximately 50.7%, 33.2% and 16.1% respectively of the total revenue for the current financial year ended 30 June 2022. The Malaysian market is the single largest market accounted for the entire total revenue for the current financial quarter ended 30 June 2022.

The Group's revenue increased by RM11.39 million from RM86.28 million for financial year ended 30 June 2021 to RM97.67 million for the financial year ended 30 June 2022. The higher revenue recorded was mainly attributed from higher electronic transaction processing and Solution & Services segment by approximately RM14.64 million and RM3.12 million respectively.

The Group registered a PBT of RM20.38 million in the current financial year under review (30 June 2021: RM15.46 million). The increase in the PBT recorded for the current financial period ended 30 June 2022 was mainly due to the increase from the electronic transaction processing due to the wider adoption of e-commerce transaction as well as in-store transaction.

The Group recorded of higher administrative expense amounting to RM6.75 million mainly due to higher staff cost approximately RM2.90 million, provision for unrealised foreign exchange loss by approximately RM0.60 million, additional provision for doubtful debts of RM0.50 million, higher IT infrastructure cost by approximately RM0.50 million, higher expenditure on consultancy & professional fees of approximately RM0.50 million and higher depreciation by approximately RM1.25 million.

**REVENUE GROUP BERHAD (201701034150 (1248321-D))**

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B2. Comparison with immediate preceding quarter's results**

	<b>3-MONTH ENDED</b>		<b>CHANGES</b>	
	<b>30.06.2022</b>	<b>31.03.2022</b>	<b>RM'000</b>	<b>%</b>
Revenue	28,544	22,844	5,700	24.95%
PBT	972	6,934	(5,962)	(86.00%)

For the current financial quarter ended 30 June 2022, the Group recorded a higher revenue by approximately RM5.70 million, mainly attributed to the increase in the revenue from the sale of EDC terminals.

For the current financial quarter ended 30 June 2022, despite increased in revenue, the Group recorded a decrease in PBT by RM5.96 million as compared to RM6.93 million in the immediate preceding financial quarter ended 31 March 2022 mainly attributed to higher administrative expenses, share of associate losses and finance expenses.

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B3. Prospects and outlook**

The Group has put in place a series of future plans as follows:

(a) Expansion of our electronic payment network

Our Group is continuously looking to expand our electronic payment network in Malaysia and will continue to purchase and deploy additional new digital payment terminals with the capability to accept payment cards and Quick Response (“QR”) Payment. The Group is currently working with our partner banks on the development, testing and certification on the new digital payment terminals, which will be rolled out and deployed to the market in various stages. Besides that, the Group is also working closely with different e-wallet issuers to bring the payment acceptance into digital payment terminals.

(b) Regional expansion

Our businesses are predominantly concentrated in Malaysia. As part of our future business expansion, the Group initially intend to expand to ASEAN market.

However, due to the outbreak of Corona Virus Disease 2019 (“COVID-19”), the intended business plan was halted. The Group will re-visit the regional business expansion in the near future as the easing of travelling restrictions in most of the ASEAN countries

(c) Enhancement of revPAY 3.0 and expansion of IT team

As IT forms the backbone and is an integral part of our business operations, it is crucial for our Group to continuously enhance, upgrade and maintain the scalability of our revPAY platform and its related software and systems to support our business expansion and technology advancement. The Group is continuously on the lookout for IT talent to expand our IT personnel.

(d) Value-added solutions and services

The acquisition of Wannapay Sdn Bhd (formerly known as Scanpay Sdn Bhd) (“WannaPay”), Wannatalk Malaysia Sdn Bhd (“Wannatalk”), Aamoni Lifestyle Sdn Bhd (formerly known as ALLF Group Management Sdn Bhd) as well as Vsure will enable the Group to provide additional value-added solutions and services to our customers which will complement the Group’s existing business and provide a more robust Business-to-Business-Consumer (“B2B2C”) solution.

(e) Research & Development (“R&D”)

Our Group continuously researching and developing more electronic solutions to be integrated with our revPAY. Such solutions will enable our customers to digitalise loyalty programme, rewards redemption, discount coupons and gift cards, bill payment, purchase of on-demand insurance, goods pick up via our digital payment terminals and via our WannaPay e-wallet. Our Group is also researching and developing issuing technology encompassing issuing payment security by leveraging on artificial intelligence to enhance the payment security features.

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B3. Prospects and outlook (Cont'd)**

On 24 January 2022, Bank Negara Malaysia (“**BNM**”) launched a five-year Financial Sector Blueprint 2022-2026 (“**Financial Blueprint**”) with the vision and strategies for the development of Malaysia’s financial sector and would anchor its effort to promote a financial system that would secure long-term growth planetary health and shared prosperity. Amongst the key strategies, BNM will support industry-led strategies and efforts for digital payments adoption and to sustain the momentum of digital payments adoption and development, as well as support the broader national aspirations for digital payments under Malaysia Digital Economy Blueprint (“**MyDigital Blueprint**”), which was launched on 19 February 2021, with the federal and state agencies playing a pivotal role to adopt cashless payments.

*(Source: Financial Sector Blueprint 2022-2026, dated 24 January 2022)*

Under the MyDigital Blueprint, the Government had devised multiple strategic thrusts to transform Malaysia into a digitally-driven, high income nation and a regional leader in digital economy. Amongst the key thrusts is to drive digital transformation in the public sector with an aim to have all ministries and agencies to provide cashless payment option by 2022 in creating behavioural shifts towards greater digital adoption, as well as accelerate the National Digital Identity (“**NDI**”) implementation by 2025 to improve security, service delivery and convenience to ensure online transactions are performed in a flexible and secure digital environment. Other aspects of the MyDigital Blueprint are to boost the economic competitiveness through digitalisation with the aim to enable 800,000 micro small and medium enterprises (“**MSMEs**”) to adopt digitalisation by 2025 and create an inclusive digital society by promoting electronic payment onboarding programme for both merchants and consumers towards a cashless society with an aim to achieve 400 electronic payment transaction made per capita by 2022.

*(Source: Malaysia Digital Economy Blueprint, dated 19 February 2022)*

Since the opening of the international borders on 1<sup>st</sup> April 2022, Malaysia's economy advanced by 8.9% year on year in Q2 of 2022, accelerating sharply from a 5.0% growth in Q1 and easily beating market consensus of a 6.7% rise. It was the strongest GDP growth since Q2 2021, mainly boosted by domestic demand as the economy re-emerged from COVID curbs.

However, with the global uncertainty due to war in Ukraine and with the weakening of Ringgit against the US Dollar, Malaysia economy will still heavily rely on domestic market for growth.

Premised on the above, the Board is cautious on the lingering impact of the COVID-19 pandemic and the potential onset of global recession and therefore the Group has embarked on a series of business strategies and future plans to manage the Group’s business with vigilance during this uncertain period.

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B4. Profit forecast or profit guarantee**

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

**B5. Status of corporate proposals**

Save as disclosed in A11 and below, there were no corporate proposals undertaken but not completed as at the date of this interim financial report.

**B6. Income tax expenses**

	<b>3-MONTH ENDED</b>		<b>YEAR-TO-DATE</b>	
	<b>30.06.2022<sup>(1)</sup></b>	<b>30.06.2021</b>	<b>30.06.2022<sup>(1)</sup></b>	<b>30.06.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax expense	1,116	570	6,749	3,341
Deferred tax expense	869	-	869	-
<b>Total tax expense</b>	<b>1,985</b>	<b>570</b>	<b>7,168</b>	<b>3,341</b>
Effective tax rate (%)	204.22 <sup>(2)</sup> %	28.97%	35.18%	21.62%

**Notes:**

- (1) Income tax expense is recognised based on management's best estimate.
- (2) The Group's effective tax rate for the individual quarter and year-to-date is higher due to the expiry of the pioneer status on 12 July 2021 granted by Multimedia Development Corporation Sdn. Bhd. (MDEC) and extension granted by Malaysian Investment Development Authority (MIDA) under the provisions of the Promotion of Investment Act 1986.

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B7. Utilisation of proceeds**

**(a) Utilisation of proceeds from the IPO**

Based on the IPO Price, the gross proceeds arising from the public issue amounting to RM20.61 million is intended to be utilised in the following manner:-

<b>Details of utilisation</b>	<b>Proposed Utilisation<sup>(1)</sup></b>	<b>Revised Utilisation</b>	<b>Actual Utilisation</b>	<b>Balance Utilisation</b>	<b>Estimated timeframe for utilisation upon listing</b>	<b>Revised timeframe for utilisation<sup>(2)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>		
Capital expenditure	8,100	9,129 <sup>(3)</sup>	(9,129)	-	24 months	12 months
Enhancement of revPAY and expansion of IT team	4,040	4,040	(4,040)	-	24 months	-
Repayment of bank borrowings	2,500	2,500	(2,500)	-	3 months	-
Business expansion	1,500	471 <sup>(3)</sup>	(471)	-	24 months	-
Working capital	1,773	1,773	(1,773)	-	24 months	-
Listing expenses	2,700	2,700	(2,700)	-	Immediately	-
	<u>20,613</u>	<u>20,613</u>	<u>(20,613)</u>	<u>-</u>		

Notes:

1. The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 11 June 2018.
2. From 7 July 2021.
3. The Company intends to utilise RM1.03 million of the proceeds to purchase approximately 1,500 new digital EDC Terminals with the capability to accept QR payments to increase the Company's deployment of EDC terminals over a 12 months period.

**(b) Utilisation of proceeds from the private placement (Special Issue)**

The gross proceeds arising from the Special Issue amounting to RM58.49 million is intended to be utilised in the following manner:-

<b>Details of utilisation</b>	<b>Proposed Utilisation</b>	<b>Actual Utilisation</b>	<b>Balance Utilisation</b>	<b>Estimated timeframe for utilisation upon listing</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Capital expenditure	44,968	(39,236)	5,732	24 months
Enhancement of revPAY and expansion of IT team	8,670	(7,703)	967	24 months
Working capital	3,399	(3,399)	-	24 months
Expenses in relation to the Special Issue	1,450	(618)	832	Immediately
	<u>58,487</u>	<u>(49,702)</u>	<u>7,531</u>	

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B8. Bank borrowings**

The Group's bank borrowings were as follows:

	<u>UNAUDITED</u>	<u>AUDITED</u>
	As at 30.06.2022 RM'000	As at 30.06.2021 RM'000
<b>Current:</b>		
Lease liabilities	569	569
Term loans	-	181
Bank overdraft	-	219
	<u>569</u>	<u>969</u>
<b>Non-current:</b>		
Lease liabilities	506	695
Term loans	44,338	4,966
	<u>44,844</u>	<u>5,661</u>
<b>Total bank borrowings</b>	<u><b>45,413</b></u>	<u><b>6,630</b></u>

All the Group's borrowings are denominated in Ringgit Malaysia.

**B9. Material litigation**

There were no material litigation involving the Group as at 30 June 2022.

**B10. Dividend**

The Board of Directors does not recommend any dividend for the current financial quarter under review.

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B11. Earnings per share**

The basic earnings per share (“EPS”) are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial period as follows:

	<b>3-MONTH ENDED</b>		<b>YEAR-TO-DATE</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
Profit attributable to owners of the Company (RM'000)	566	1,282	13,435	11,245
<b><u>Basic EPS</u></b>				
Weighted average number of ordinary shares ('000)	469,041	447,594	464,686	413,794
Basic EPS (sen)	0.12	0.29	2.89	2.72

The diluted EPS are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of shares that would have been in issued upon full exercise of the remaining warrants:

	<b>3-MONTH ENDED</b>		<b>YEAR-TO-DATE</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>30.06.2022</b>	<b>31.03.2021</b>
Profit attributable to owners of the Company (RM'000)	566	1,282	13,435	11,245
<b><u>Diluted EPS</u></b>				
Weighted average number of ordinary shares ('000)	636,072	616,390	475,232	415,436
Diluted EPS (sen) <sup>(1)</sup>	0.09	0.21	2.83	2.71

**Note:**

- (1) Diluted earnings per share of the Company for the individual quarter ended 30 June 2022 is calculated based on the weighted average number of ordinary shares in issue of 636,072,991, adjusted for contingently issuable ordinary shares and number of shares under warrants as the warrants have a dilutive effect on the weighted average number of ordinary shares. Diluted earnings per share of the Company for the year-to-date ended 30 June 2022 is calculated based on the weighted average number of ordinary shares in issue of 475,232,120 as at 30 June 2022, adjusted for contingently issuable ordinary shares.

**REVENUE GROUP BERHAD (201701034150 (1248321-D))**

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B12. Disclosure on selected expense/income items as required by the Listing Requirements**

Profit before tax is arrived after charging/(crediting):

	<b>3-MONTH ENDED</b>		<b>YEAR-TO-DATE</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	2,381	2,726	10,641	9,502
Impairment losses on trade receivables	121	462	550	795
Reversal of impairment losses on trade receivables	210	41	(15)	(528)
(Gain)/Loss on foreign exchange				
• Realised	50	9	116	(9)
• Unrealised	680	(17)	680	(9)
Rental expenses				
• Office	15	27	149	49
Bad debts recovered	(7)	(5)	(22)	(18)
(Gain)/Loss on disposal of property, plant and equipment	7	-	(1)	5
Interest income	(159)	(189)	(598)	(288)
Rental income	(216)	(10)	(246)	(33)

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements of Bursa Securities are not applicable.